

November 21, 2013

Ms. Diane F. Boyer-Vine Legislative Counsel State Capitol, Room 3021, B-30 Sacramento, CA 95814

Dear Ms. Boyer-Vine:

Pursuant to the requirements of Government Code Section 11011(f), the Department of General Services is submitting the 2013 Surplus Real Property Annual Report to the State Legislature.

In keeping with our commitment to encourage conservation, we have posted this report to our website. The report can be viewed at http://www.dgs.ca.gov/ola/home/2013Reports.aspx. The report is entitled 2013 Surplus Real Property Annual Report to the State Legislature.

If you wish to receive a printed copy of this report, please contact Robert McKinnon, Assistant Branch Chief, Asset Management Branch, Real Estate Services Division, Department of General Services at (916) 376-1814 or Robert.McKinnon@dgs.ca.gov.

Sincerely,

Fred Klass

Director

cc: See attached Distribution List #2

Fred House

Sheral Gates, Deputy Director, Real Estate Services Division,

Department of General Services

Robert McKinnon, Assistant Branch Chief, Asset Management Branch, Real Estate Services Division, Department of General Services

DISTRIBUTION #2 LEGISLATIVE REPORT LISTING

ORIGINAL LETTER TO EACH OF THE FOLLOWING:

Ms. Diane F. Boyer-Vine (HARD COPY OF REPORT)
Legislative Counsel
State Capitol, Room 3021, B-30
Sacramento, CA 95814
(1 original)
(Elec. copy of report & letter to Jim.Lasky@lc.ca.gov)

Mr. Gregory Palmer Schmidt (HARD COPY OF REPORT) Secretary of the Senate State Capitol, Room 400 Sacramento, CA 95814 (1 original) Mr. E. Dotson Wilson Chief Clerk of the Assembly State Capitol, Room 3196, E-24 Sacramento, CA 95814 (1 original)

<u>amy.leach@asm.ca.gov</u> electronic copy <u>dotson.wilson@asm.ca.gov</u> electronic copy

COPY OF LEGISLATIVE COUNSEL'S LETTER TO EACH OF THE FOLLOWING:

Gareth Elliott, Secretary–Legislative Affairs Office of the Governor State Capitol, First Floor, E-15 Sacramento. CA 95814

Nancy Farias, Deputy Secretary, Legislation California Government Operations Agency 915 Capitol Mall, Room 200, C-14 Sacramento, CA 95814

Tom Dyer, Legislative Director (electronic copy)
Department of Finance
915 L Street, A-15
Sacramento, CA 95814
Tom.Dyer@dof.ca.gov

Karen Finn, Program Budget Manager (electronic copy)
Department of Finance
915 L Street, A-15
Sacramento, CA 95814
Karen.Finn@dof.ca.gov

Esteban Almanza, Chief Deputy Director (electronic copy only) Department of General Services 707 Third Street, 8th Floor, Z-1 West Sacramento, CA 95605 Ray Gibson, Budget and Planning Officer Office of Fiscal Services 707 Third Street, 9th Floor, Z-1 West Sacramento, CA 95605

Becky Granroth, Budget and Planning Officer Office of Fiscal Services 707 Third Street, 9th Floor, Z-1 West Sacramento, CA 95605

Jemahl Ämen, Deputy Director-Legislative Affairs Department of General Services 707 Third Street, 8th Floor, Z-1 West Sacramento, CA 95605

Office of Legislative Counsel (HARD COPY OF REPORT)

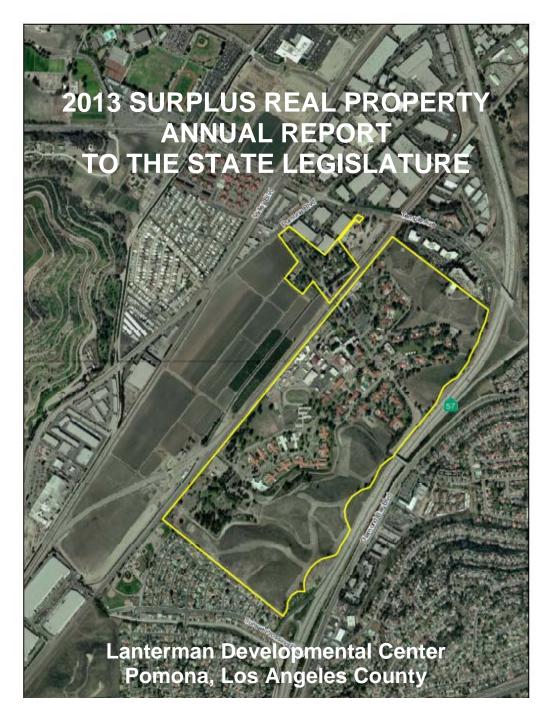
Attention: Indexing Division
925 L Street, Suite 1150, B-30
Sacramento, CA 95814
(Electronic copy of report & letter to Jim.Lasky@lc.ca.gov)

California State Library Information Resources and Government Publications PO Box 942837 Sacramento, CA 94237-001

Originating Office

LEGISLATURE—REVISED 7/15/13





Compiled By
Asset Management Branch
Real Estate Services Division
November 2013

Table of Contents

Overview	1-2
State Agency Abbreviations	3
Section 1	4
Properties Sold or Removed From State Rolls In 2013	
Section 2	5- 11
Properties Pending Disposition	
Section 2a	12-14
Capital Area Development Authority "CADA" Properties	
Pending Disposition	
Section 3	15
Properties Identified As Excess	
Section 4	16
Properties Rescinded Or Identified For Rescission Of Surplus	
Authorization	

Overview

The Department of General Services (DGS) prepares the Surplus Real Property Annual Report to the State Legislature pursuant to Government Code Section 11011.

The 2013 Surplus Property Report contains a summary of the status of the following categories of surplus real properties:

- Properties that have been sold or otherwise removed from the state's property rolls since the 2012 report.
- Properties that have been authorized as surplus and are pending disposition, including Capital Area Development Authority (CADA) properties.
- Properties that have been identified as excess.
- Properties which had the surplus authorization rescinded or for which a
 rescission of the surplus authorization has been requested in response to a state
 need for the property.

Captial Area Development Authority (CADA) Properties

CADA is a joint powers authority (JPA) created in 1978 between the State of California and the City of Sacramento to be responsible for residential and neighborhood commercial development on state-owned land within the Capitol Area in downtown Sacramento. CADA's primary functions are property management of existing housing and commercial properties owned by the state and development of new housing and commercial properties on land owned by the state. Since its inception, CADA has overseen over \$100 million in public and private commercial and residential developments, including over 850 residential infill units.

The Governor's 2011-12 Budget May Revision included the initiative to reduce the state's property footprint by selling those properties no longer needed for the state's programmatic purposes, including the properties owned by the state and managed by CADA. Section 2A of this report describes CADA properties that have been identified for disposition.

In July 2013, CADA 's Executive Director, with the approval of the CADA Board of Directors, provided the director of DGS with a proposal for the reorganization of CADA, which would replace the state in the JPA, and provide for the transfer of the CADA-managed portfolio of properties to the new JPA. The proposal is under consideration as of the date of this report.

The Asset Enhancement and Surplus Sales Program

The Asset Enhancement and Surplus Sales Unit of the Asset Management Branch (AMB) of DGS, operating in a manner consistent with Executive Order S-10-04, is responsible for the disposition of State-owned real property that has been declared surplus to future state needs. The Legislature must declare the real property to be surplus and must authorize the Director of DGS to sell, exchange, lease, or transfer the surplus real property pursuant to Government Code Section 11011 et seq. The objective of the program is to sell or otherwise dispose of surplus property in the best interest of the state by achieving maximum value, maximizing job creation, creating affordable housing, facilitating historic preservation and reuse, and returning property to local tax rolls. The state receives the highest sales price for high-value urban properties by utilizing a value enhancement process to secure development entitlements prior to the sale. Smaller, lower-value properties that have limited value enhancement potential are typically sold on an "as-is" basis through a public bid or auction process. For more information on surplus property, visit the DGS Surplus Property Website.

Questions or comments regarding the 2013 Surplus Property Report can be directed to Robert W. McKinnon, Assistant Branch Chief, Asset Management Branch at (916) 376-1814 or by email to Robert.McKinnon@dgs.ca.gov.

State Agency Abbreviations

CADA Capitol Area Development Authority

CDCR California Department of Corrections and Rehabilitation

CDF California Department of Forestry and Fire Protection (aka CALFIRE)

CHP California Highway Patrol
CON Department of Conservation

DDS Department of Developmental Services

DOF Department of Finance

DGS Department of General Services
DMV Department of Motor Vehicles

DPR Department of Parks and Recreation EDD Employment Development Department

MIL Military Department

PROPERTIES SOLD OR REMOVED FROM STATE ROLLS IN 2012-2013 - SALES

County	Agency	Property Name	Acres	Sale Amount	Authority
Los Angeles	DGS	Civic Center, Los Angeles	2.00	\$7,500,000	Chapter 1265 Statutes of 1982
Comments					
revenue for the state pr	ior to development of t	fice building that suffered earthquake da he new adjacent Los Angeles County pa 5, 2013 to the City of Los Angeles for \$7	ark. It was dete	rmined that the proper	ty was not needed for future
Madera	DPR	Hidden Lake Estates, Unincorporated Area	1.52	\$7,500	Chapter 178 Statutes of 2011
-					
Comments					
The property was sold		to a private buyer for \$7,500. The Depar construct a boat launch. The boat launc			ally acquired the property
The property was sold					Chapter 166 Statutes of 2009
The property was sold through a gift from a su	bdivision developer to	construct a boat launch. The boat launch	h was never bu	uilt.	Chapter 166
The property was sold through a gift from a su Santa Clara Comments The property was lease former Agnews Develo	DDS ed to O.L.S. Energy-Agr	construct a boat launch. The boat launch	1.73 oy Calpine Corne in October o	\$2,500,000 poration which provide of 2012. The termination	Chapter 166 Statutes of 2009 d steam and electricity to the

PROPERTIES PENDING DISPOSITION

County	Agency	Property Name	Acres	Estimated Value	Authority
Amador	CDCR	Ione Single Family Residence	0.6	\$150,000	Chapter 798 Statutes of 2012
comments he State conducted a s rmer Preston Youth A	•	on October 31, 2013. DGS expects to clo	se escrow in 2	014. This property was used	d for employee housing at
		0/// 2 !! !!			Ohantar 470
Butte comments DD will vacate in 2014	EDD . DGS plans to offer the	Office Building, Oroville he property pursuant to a competitive bid	1.17 process once t	TBD	Chapter 178 Statutes of 2011
omments		Oroville			Statutes of 2011
omments		Oroville			
omments DD will vacate in 2014 Glenn omments	MIL Mas identified this pro	Oroville he property pursuant to a competitive bid	process once t	the site is vacant.	Chapter 798 Statutes of 2011

PROPERTIES PENDING DISPOSITION

County	Agency	Property Name	Acres	Estimated Value	Authority
Los Angeles	CDCR	Southern Youth Correctional Reception Center & Clinic, Norwalk	32	TBD	Chapter 342 Statutes of 2012
	or lease the propert	iating with the County of Los Angeles to purch ty at market value. If the County declines to p			
Los Angeles	CON	Beaudry Street Residential Lot, Los Angeles	0.09	\$200,000	Chapter 761 Statutes of 2008
agreed to a "Recommen	ded Approach to Ad	undwater contamination due to former oil well ddress Environmental Matters". This report wi ct kick off meeting is scheduled for November	II provide ste	eps and costs for the imp	lementation of a Remedial Action
Los Angeles	EDD	Hollywood Office Building, Los Angeles	1.62	\$12,700,000	Chapter 178 Statutes of 2011
\$254,000 in escrow. The	state will execute t	consor, signed a Purchase and Sale Agreeme the Purchase Sale Agreement accepting the b of Labor owns the equity in the property. Sale	uyer's offer	of \$12,700,000 on Dece	mber 23, 2013. The sale will
Los Angeles	DDS	Lanterman Developmental Center, (LDC) Pomona	300	TBD	Chapter 417 Statutes of 1996 / Chapter 25 Statutes of 2013
31, 2014. DGS received jurisdiction of this site to with DOF and per a DOF DGS staff met with DOF	a letter from Califor the university. DGS request, Cal Poly to review the Cal P	ned closure of the facility. Chapter 25 of the strain State Polytechnic University Pomona (Cas also received notice of interest from the CHI provided DGS with information regarding their Poly Pomona proposal and to discuss terms for the Pomona to pay fair market value for the pro-	ll Poly Pomo P for a 5-acr r proposed u r a Transfer	ona) on August 9, 2013, re field office. DGS has duses for the Lanterman per of Jurisdiction (TOJ).	equesting DGS to transfer iscussed Cal Poly Pomona's letter roperty. On September 25, 2013,

PROPERTIES PENDING DISPOSITION

County	Agency	Property Name	Acres	Estimated Value	Authority
Los Angeles	CDCR	Nelles Youth Correctional Center (Former CYA), Whittier	75	\$42,000,000	Chapter 925 Statutes of 2004
		e surplus property in Whittier to Brookfield vironmental Impact Report. Escrow will clo			ouyer securing developme
					Chapter 798
e County of Los Ange proved the County's farchase contract must I	air market value app be signed within 60 o	notice of intent to acquire the property as a raisal of \$780,000. On December 3, 2013 days thereafter. On January 28, the Count of the state's execution of the agreement.	the County wil y Board of Sup	I be notified of their selection	Statutes of 2012 ode Section 11011.1. The n to receive the property.
omments ne County of Los Ange oproved the County's faurchase contract must l	les provided written air market value app be signed within 60 o	notice of intent to acquire the property as a raisal of \$780,000. On December 3, 2013	priority buyer the County wil y Board of Sup	pursuant to Government Collins I be notified of their selection	Statutes of 2012 ode Section 11011.1. The n to receive the property.
omments ne County of Los Ange oproved the County's faurchase contract must I greement. Escrow will Los Angeles	les provided written air market value app be signed within 60 d close within 60 days	notice of intent to acquire the property as a raisal of \$780,000. On December 3, 2013 days thereafter. On January 28, the Count of the state's execution of the agreement. Office Building,	priority buyer the County wil y Board of Sup 1.68	pursuant to Government Co I be notified of their selection pervisors will consider the ex TBD	Statutes of 2012 ode Section 11011.1. The n to receive the property. Execution of the purchase Chapter 178

The Military Department has identified this property as excess. The disposition of the armory will be pursuant to a competitive bid process in 2014. Proceeds will be deposited into the Armory Fund.

PROPERTIES PENDING DISPOSITION

County	Agency	Property Name	Acres	Estimated Value	Authority
Mendocino	DGS	Ranger Station Excess Land, Willits	53	\$350,000	Chapter 166 Statutes of 2009
comments		ofor of invicalistics approval pools so to the			

On January 31, 2012, DGS forwarded a transfer of jurisdiction approval package to the DOF for approval of the transfer of the property to CALFIRE at no cost. CALFIRE currently uses the surplus property for its fire fighting and training programs. As of November 2013, DOF is still reviewing the justification provided by CALFIRE and expects to approve or disapprove the no cost transfer of the property in 2014.

Monterey	CDCR	Salinas Valley Prison, Soledad	33.50	\$400,000	Chapter 761 Statutes of 2008
----------	------	-----------------------------------	-------	-----------	---------------------------------

Comments

The Director of DGS is authorized to sell, lease, convey, or exchange this acreage to the City of Soledad as a component of the upgrading and expansion of the Soledad Water Reclamation Facility. The facility serves the City of Soledad and the Salinas Valley Prison. The City has indicated they no longer need the property. CDCR may request that the property be removed from the surplus list.

					Chapter 798
Nevada Citv	MIL	Nevada City Armory	1.42	\$1,000,000	
, , , , ,		, , , , , , , , , , , , , , , , , , , ,		* ,,	Statutes of 2012

Comments

Property is being sold under Military & Veterans Code section 435. Sealed bid sale scheduled for December 6, 2013, with an expected close of escrow in early 2014. Proceeds will be deposited into the Armory fund.

Placer	DMV	Field Office, Roseville	1.1	\$1,000,000	Chapter 324
					Statutes of 2010

Comments

DMV vacated the property and an appraisal of the property is pending. The Property will be sold pursuant to a competitive bid process in 2014.

PROPERTIES PENDING DISPOSITION

County	Agency	Property Name	Acres	Estimated Value	Authority
Sacramento	DPR	The Docks and Rail Road Museum Parcels, Sacramento	6.00	\$2,400,000	Chapter 761 Statutes of 2008
Comments					

The Director of DPR, with the approval of the Director of DGS, is authorized to exchange or sell this property to the City of Sacramento. The date for the disposition of this property is being negotiated between the City and DPR. The transfer is contingent upon resolution of issues regarding the development of the downtown rail yard property and abandonment of a pipeline.

Sacramento	MIL	58th Street Armory	6.00	\$1,100,000	Chapter 761
		·			Statutes of 2008

Comments

This legislation directs DGS to grant this property to the Roman Catholic Bishop at fair market value by an option to purchase. This property is scheduled to sell as soon as a replacement facility is available. The anticipated sale date is 2014. Proceeds will be deposited into the Armory Fund.

San Diego	CDF	Forest Fire Station (Old),	0.33	TBD	Chapter 761
		San Marcos			Statutes of 2008

Comments

Attempts to sell the property by competitive bid were unsuccessful due to groundwater and soil contamination. San Diego County rejected CALFIRE's plan to mitigate the contamination by attrition over time, and the County subsequently requested CALFIRE to develop a new mitigation plan. CALFIRE will manage the environmental clean-up efforts, and DGS will resume the disposition process when the site is clear of environmental issues.

San Francisco	DGS	Parking Lot, San Francisco	0.39	\$5,000,000	Chapter 761 Statutes of 2008

Comments

This property was acquired through an exchange by DGS with the City and County of San Francisco. The State currently receives \$53,000 annually from the lease of the parcel to a private parking operator. DGS and EDD will discuss the feasibility of assembling an adjacent 0.29 acre parcel that is used as a surface parking lot for EDD employees. DGS will then evaluate the sales process that will maximize the value of the property.

PROPERTIES PENDING DISPOSITION

County	Agency	Property Name	Acres	Estimated Value	Authority
San Joaquin	EDD	Office Building, Stockton	1.42	TBD	Chapter 798 Statutes of 2012
Comments					
DD will vacate in 2014	I. DGS plans to offer the	e property pursuant to a competitive bid	process once t	he site is vacant.	
Santa Clara	DDS	Agnews Developmental Center,	84.3	\$100,000,000	Chapter 166
- Carita Giara		San Jose		Ψ100,000,000	Statutes of 2009
Request for Proposals roposals, a buyer will be	be selected for exclusiv	the sale of the remaining Agnews camp e negotiation in early 2014. Schedule fo ts from the City of San Jose.			
Request for Proposals roposals, a buyer will be	be selected for exclusiv	e negotiation in early 2014. Schedule fo			
roposals, a buyer will to roperty and obtaining of Sonoma Comments	be selected for exclusive development entitlement MIL t has identified this properties.	e negotiation in early 2014. Schedule fo ts from the City of San Jose.	2.00	scrow will be subject to the	Chapter 798 Statutes of 2012

PROPERTIES PENDING DISPOSITION

County	Agency	Property Name	Acres	Estimated Value	Authority
Tehama	CDF	Digger Butte Lookout, Manton	40	TBD	Chapter 178 Statutes of 2011

Comments

A minimum value was determined and a potential buyer list has been developed. The 2012 Ponderosa Fire consumed the site. A cloud on title requires that the original Grantor quitclaim any possible reversionary interest prior to DGS selling the property. The original grantor is cooperating and it is likely the property can be offered for sale in the first quarter of 2014.

SECTION 2A

CAPITOL AREA DEVELOPMENT AUTHORITY (CADA) PROPERTIES PENDING DISPOSITION.

County	Agency	Property Name	Acres	Estimated Value	Authority
Sacramento	DGS-CADA	1510 14th Street	0.14	TBD	Chapter 32 Statutes of 2012
		DA. CADA leases the land under a decess, as authorized by a 2012 trailer b		and lease to a private real estate de	eveloper/investor. The underlying
Sacramento	DGS-CADA	1530 N Street	0.22	TBD	Chapter 32 Statutes of 2012
		DA. CADA leases the land under a decess, as authorized by a 2012 trailer b		ind lease to a private real estate de	eveloper/investor. The underlying
Sacramento	DGS-CADA	1416 17th Street and 1631 O Street	0.15	TBD	Chapter 32 Statutes of 2012
		DA. CADA leases the land under a decess, as authorized by a 2012 trailer b		and lease to a private real estate de	eveloper/investor. The underlying
Sacramento	DGS-CADA	1609 O Street	0.59	TBD	Chapter 32 Statutes of 2012
		DA. CADA leases the land under a decess, as authorized by a 2012 trailer b		and lease to a private real estate de	eveloper/investor. The underlying

SECTION 2A

CAPITOL AREA DEVELOPMENT AUTHORITY (CADA) PROPERTIES PENDING DISPOSITION.

County	Agency	Property Name	Acres	Estimated Value	Authority
Sacramento	DGS-CADA	1612 14th Street	0.07	TBD	Chapter 32 Statutes of 2012
		DA. CADA leases the land under a eess, as authorized by a 2012 traile		nd lease to a private real estate d	developer/investor. The underly
Sacramento	DGS-CADA	1616 14th Street and 1325 Q Stre	eet 0.3	TBD	Chapter 32 Statutes of 2012
Comments The State of California		DA. CADA leases the land under a ess, as authorized by a 2012 traile		nd lease to a private real estate o	
Comments The State of California				nd lease to a private real estate o	developer/investor. The underly Chapter 5058
Comments The State of California the will be sold through Sacramento Comments The State of California	DGS-CADA	ess, as authorized by a 2012 traile	0.027	TBD eases the property to a third par	developer/investor. The underly Chapter 5058 Statutes of 2013 ty commercial tenant. The

SECTION 2A

CAPITOL AREA DEVELOPMENT AUTHORITY (CADA) PROPERTIES PENDING DISPOSITION.

County	Agency	Property Name	Acres	Estimated Value	Authority
Sacramento	DGS-CADA	1036 P Street	0.03	TBD	Chapter 5058 Statutes of 2013
				eases the property to a third par t that is authorized for sale in the	
					Chapter 5058
Sacramento	DGS-CADA	1603 10th Street	0.025	TBD	Statutes of 2013
Comments The State of California	leases the property, inclu	ding the land and improvements	s, to CADA. CADA I	TBD eases the property to a third par t that is authorized for sale in the	Statutes of 2013 ty commercial tenant. The

PROPERTIES IDENTIFIED AS EXCESS

County	Agency	Property Name	Acres	Estimated Value	Authority
Amador	CDCR	Preston Youth Correctional Facility	15	TBD	Chapter 505 Statutes of 2013
Comments		a in OOAO Nationa will be marked in accorda	0	10.10.0	44044 TI

The legislature declared this property surplus in 2013. Notices will be posted in accordance with Government Code Section 11011. The property will be available pursuant to a competitive bid sale in 2014.

San Luis Obieno	CDCP	Estrolla Correctional Escility	160	TBD	Chapter 505
San Luis Obispo	CDCR	Estrella Correctional Facility	160	IDD	Statutes of 2013

Comments

The legislature declared this property surplus in 2013. Notices will be posted in accordance with Government Code Section 11011. The property will be available pursuant to a competitive bid sale in 2014.

Solano	EDD	Valleio Office Buillding	0.09	TBD	Chapter 505
Golario	200	vanoje emec Bajnang	0.00	100	Statutes of 2013

Comments

The Legislature declared this property surplus in 2013. EDD will vacate in 2014. DGS plans to offer the property pursuant to a competitive bid sale once the site is vacant.

PROPERTIES RESCINDED OR IDENTIFIED FOR RESCISSION OF SURPLUS AUTHORIZATION

County	Agency	Property Name	Acres	Estimated Value	Authority
Comments There were no properties	identified for rescissio	on of the surplus authorization	in 2013.		